

## hits some snags

les action on membership  
reconsiders consolidation

## Congress kills A-E procurement test

*File - Cost*

semi-annual meeting last week in  
apolis, Minn., the Board of Di-  
of the Consulting Engineers  
il (CEC) dealt with a wide range  
es, including the possibility of  
idating with two other profes-  
engineering associations, mem-  
p eligibility requirements and  
sional liability insurance.

in apparent softening of its stand  
June annual meeting (ENR 6/18  
5), the CEC board passed a resolu-  
etting forth CEC's interest in the  
ishment of a single, unified na-  
l organization to represent the  
lting engineering profession. The  
tion, which passed 35 to 6, is in-  
ed to clarify CEC's position with re-  
to a possible consolidation with  
American Institute of Consulting  
neers and the Professional Engi-  
s in Private Practice. By eliminat-  
a previous requirement that the  
e Consulting Engineers Council be  
in all deliberations, CEC appears  
r to reconvene merger talks.

membership requirements. Another  
or issue debated by the CEC board  
membership eligibility. Special em-  
sis was placed on the status of con-  
ing engineering firms that have  
ged with or been acquired by con-  
ction or manufacturing interests.  
he California delegation got to the  
berlying issue by questioning CEC's  
hority to tell state associations what  
ir membership requirements should  
As a result, the entire issue of mem-  
ship eligibility was tabled until the  
71 annual meeting.

Professional liability in a worsening  
urance availability situation was  
ught into sharp focus by the recent  
nouncement that a popular liability  
rier among engineers, the American  
otorists Insurance Co., Kemper In-  
urance Group, Chicago, has notified  
ents that it will not renew profes-  
sional coverage because of tremendous  
ses sustained.

A spokesman for Design Professionals  
insurance Co. (DPIC), San Francisco,  
formation of which was authorized  
y CEC last year (ENR 5/22/69 p. 49)  
nd which is now a separate corpora-  
on, explained that DPIC's planned of-  
ring of professional liability insurance  
o consulting engineers had been de-  
ayed. The delay was attributed to the  
tiffing prospectus requirements.

Congressional approval of a \$1.7-bil-  
lion military construction authorization  
bill for the current fiscal year has made  
academic a controversial Department  
of Defense (DOD) attempt to introduce  
a form of price competition into the  
federal procurement of architectural  
and engineering services.

Under pressure from a compromise  
bill worked out by a Senate-House con-  
ference committee, DOD last week de-  
cided to cancel its one-year test of price-  
estimated multiple proposals for A-E  
services. The test has been under heavy  
fire from A-E interests (ENR 9/24 p.9).

The compromise bill, now awaiting  
President Nixon's signature, provides  
that "architect and engineering con-  
tracts, unless specifically authorized by  
Congress, shall continue to be awarded  
in accordance with presently estab-  
lished procedures, customs and prac-  
tice." Historically, such contracts have  
been awarded on the basis of quali-  
fication with the fee negotiated.

However, in an attempt to monitor  
construction costs, the authorization  
bill does require the Secretary of De-  
fense to report to Congress all projects  
where bids have exceeded the amounts  
authorized by 25%. It also directs the  
three military services to file semi-an-  
nual reports on all construction con-  
tracts not awarded on a competitive  
basis to the lowest bidder.

Regarding specific programs, Con-  
gress authorized \$188 million for con-  
struction of 7,600 new military family  
housing units and raised the average  
per-unit cost from \$21,000 to \$23,000.

The authorization approval sets the  
stage for an appropriation compromise  
when the post-election session convenes  
in November. The Senate appropria-  
tion bill, also passed last week, at \$2.1  
billion, is \$61 million higher than the  
House counterpart approved last June.  
But the conference committee is ex-  
pected to fund substantially all the  
projects authorized.

## Housing partnership makes first investment

The National Corporation for Housing  
Partnerships' (NCHP) first investment  
will be made in a 164-unit moderate-in-  
come apartment complex on Chicago's  
South Side.

The complex, to be called Lake Park  
Manor, will be constructed under the  
Section 236 interest subsidy program of  
the Housing and Urban Development  
Act. It will be jointly sponsored by  
NCHP and Interaction, Inc., a Chicago  
interracial development group.

NCHP is a quasi-public corporation  
created by Congress under the Housing  
Act of 1968 as a device for attracting  
large amounts of private money for in-  
vestment in government subsidized  
housing (ENR 2/12 p.11). So far, 268  
corporations, utilities, labor unions,  
banks and insurance companies have  
invested more than \$42 million in  
NCHP. This capital investment enables  
NCHP to share initial financial and  
equity risks with private developers, ac-  
cording to Carter Burgess, chairman  
and chief executive officer of NCHP.

NCHP has acquired a 23.7% own-  
ership interest in Lake Park Manor  
with an equity investment of \$50,000.  
Other investors include Common-  
People's Power Development Corp., a

local black neighborhood organization  
(\$10,000). A \$3,024,000-mortgage and  
interim financing are now being ar-  
ranged.

The contractor will be a joint venture  
of James McHugh Construction Co.,  
and Bush Construction Co., a black-  
owned firm.

## Meany eyes teamsters, UAW

AFL-CIO President George Meany has  
taken another step toward the possible  
reaffiliation of the teamsters and the  
United Auto Workers (UAW).

Meany will meet with teamster  
leader Frank E. Fitzsimmons within the  
next two weeks. It will be his first offi-  
cial meeting with a teamster official  
since the union's expulsion from the  
federation in 1957.

The specific subject of the meeting is  
a California dispute with the teamsters.  
But like a meeting with UAW President  
Leonard Woodcock last summer, it is  
expected to open up new and official  
channels of communication between  
the two groups.

Meany has said he would like to see  
the AFL-CIO pull the UAW back  
in the AFL-CIO.

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